

**Introduced by Senator Yee**February 22, 2013

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An act to add and repeal Section 19803.5 of the Business and Professions Code, relating to gaming.

## LEGISLATIVE COUNSEL'S DIGEST

SB 601, as introduced, Yee. Gambling activities and establishments. The Gambling Control Act provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Department of Justice. Existing law declares the intent of the Legislature in enacting the act, to provide uniform, minimum standards of regulation of permissible gambling activities and the operation of lawful gambling establishments.

This bill would require the Legislative Analyst to conduct an economic study to be submitted to the Legislature no later than December 1, 2014, analyzing the economic impact of all California laws and regulations on gambling establishments and the state's economy, as specified. The bill would authorize the Legislative Analyst to submit a claim to the Controller for its expenses associated with the study, to be paid from the Gambling Control Fund upon appropriation of the Legislature.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:

1 (1) Many states are currently examining their laws governing  
2 gambling and, as a result of that examination, are expanding  
3 gambling in their states to compete with other states that permit  
4 more expansive gambling and a greater variety of legalized games.

5 (2) California gambling establishments and tribes compete with  
6 gambling establishments in many states for gambling revenues.  
7 This competition has an economic impact beyond gambling,  
8 including, but not limited to, reduced revenues from tourism and  
9 entertainment and state and local tax proceeds.

10 (3) Laws and regulations governing gambling establishments  
11 and permitted games, including, but not limited to, the Gambling  
12 Control Act and the Penal Code, the regulations adopted pursuant  
13 to those laws, and the enforcement of those laws and regulations  
14 by the California Gambling Control Commission, the Department  
15 of Justice, and local governments, have an impact on California's  
16 potential to compete for additional revenues and tax proceeds.

17 SEC. 2. Section 19803.5 is added to the Business and  
18 Professions Code, to read:

19 19803.5. (a) The Legislative Analyst shall conduct an  
20 economic study to be submitted to the Legislature no later than  
21 December 1, 2014, analyzing the economic impact of all California  
22 laws and regulations on gambling establishments and the state's  
23 economy. At a minimum, the study shall examine the extent to  
24 which the regulation of permitted games and games procedures  
25 and the regulation of the expansion of gaming impedes economic  
26 growth in this sector of the California economy and state and local  
27 tax and fee proceeds. Upon submission of this study to the  
28 Legislature, the Legislative Analyst may submit a claim to the  
29 Controller for its expenses associated with the study. The Controller  
30 may pay those expenses from the Gambling Control Fund upon  
31 appropriation by the Legislature.

32 (b) A report to be submitted pursuant to this section shall be  
33 submitted in compliance with Section 9795 of the Government  
34 Code.

35 (c) Pursuant to Section 10231.5 of the Government Code, this  
36 section is repealed on December 31, 2015.